(a) whether Government have received a proposal from the State Government of Gujarat for opening of a separate office of the Explosive Department in Alang Ship Recycling Yard in Gujarat; and

(b) if so, the decision taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Yes, Sir.

(b) Ship breaking activities are presently not covered under the Petroleum Rules 2002. Proposal of the Government of Gujarat for opening a separate office of the Explosive Department at Alang Ship Recycling Yard in Gujarat can be examined and considered only after relevant provisions are made in the statute.

Setting up of units abroad

1748. SHRI SANTOSH BAGRODIA:
SHRIMATI AMBIKA SONI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware that the Indian Firms have found it cheaper to set up production bases in the nations with which India has signed FTA; and

(b) if so, the beneficiary from FTA?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Free Trade Agreements (FTAs) provide greater economic space for firms and enhance trade and investment flows. The direction of such flows depends on the complementarities and comparative advantages, and the opportunities for backward and forward linkages. Such conditions vary from one industry to another and no general conclusions can be drawn. The overall benefits of FTAs are expected to accrue to all participating countries.